



State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

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September 14, 2006

Walter Wellman, Contact for
Wellman Minerals Corporation
1042 Fort Union Blvd. Suite 127
Midvale, Utah 84047-1800

Subject: Summary of Requirements in Response to Letter, Requirement to Post Reclamation Surety, dated June 8, 2006, Wellman Minerals Corporation, Brown Rock 7/Rocking Chair, (S/045/055), Tooele County, Utah

Dear Mr. Wellman:

Thank you for your inquiry responding to the Division letter dated June 8, 2006. The letter provided information about the recent rule changes resulting in reclamation surety requirements for small mines and exploration projects within the state of Utah.

Based on information contained in the Notice of Intention to Commence Small Mining Operations (NOI), the bond amount will be based on a five-acre disturbed area (\$18,600.00). If this information is inaccurate, please contact Mr. Tom Munson, to obtain information on the requirements for updating your NOI to reflect the actual disturbed area. If the disturbance is less than five-acres, the reclamation surety amount will be determined accordingly once the NOI is updated. It is necessary to work with Mr. Tom Munson if NOI updates are required.

A complete and original small mine reclamation contract has been received by the Division. However, approval will be delayed until any information required to update the NOI is received. If the information identifying less than five-acres of disturbed area is not received and the NOI is not updated, the reclamation surety amount will be determined to be \$18,600.00 for a five-acre disturbed area.

Please be aware the BLM and the Division may have different reclamation surety requirements. The Division will not require separate reclamation surety if there is one administered by another government entity provided the cost estimate is accurate and the Division is named as co-beneficiary.

From the BLM the Division has copies of:

- Completed BLM Surface Management Personal Bond form for UTU-69198 which serves as a reclamation surety bond for Brown Rock 7/Rocking Chair mine site;
- BLM Decision letter, Financial Guarantee Accepted identifying the reclamation cost estimate of \$3785.00 and acceptance of the financial document (cash)

As a reminder, the deadline to complete this process (approved reclamation surety and reclamation contract) is December 8, 2006.

The Division appreciates your attentiveness and responsiveness to the rule changes that have occurred resulting in this requirement. If you have any questions or require discussion regarding the reclamation surety, please contact Beth Ericksen at (801) 538-5318. Questions pertaining to the NOI, please contact Tom Munson at (801) 538-5321 .

Sincerely,



Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:BE:pb

Enclosures: none

cc: Beth Ericksen, DOGM
Tom Munson, DOGM
Daron Haddock, DOGM

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